

By: Senator(s) Bryan

To: Public Health and
Welfare

SENATE BILL NO. 2690
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
2 TO DELETE THE REPEALER ON CERTAIN PROVISIONS RELATING TO THE
3 HEALTH CARE EXPENDABLE FUND; AND FOR RELATED PURPOSES.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

5 **SECTION 1.** Section 43-13-407, Mississippi Code of 1972, is
6 amended as follows:

7 43-13-407. (1) In accordance with the purposes of this
8 article, there is established in the State Treasury the Health
9 Care Expendable Fund, into which shall be transferred from the
10 Health Care Trust Fund the following sums:

11 (a) In fiscal year 2005, Four Hundred Fifty-six Million
12 Dollars (\$456,000,000.00);

13 (b) In fiscal year 2006, One Hundred Eighty-six Million
14 Dollars (\$186,000,000.00);

15 (c) In fiscal year 2007, One Hundred Eighty-six Million
16 Dollars (\$186,000,000.00);

17 (d) In fiscal year 2008, One Hundred Six Million
18 Dollars (\$106,000,000.00);



(e) In fiscal year 2009, Ninety-two Million Two Hundred Fifty Thousand Dollars (\$92,250,000.00);

(f) In the fiscal year beginning after the calendar year in which none of the amount of the annual tobacco settlement installment payment will be deposited into the Health Care Expendable Fund as provided in subsection (3) (d) of this section, and in each fiscal year thereafter, a sum equal to the average annual amount of the dividends, interest and other income, including increases in value of the principal, earned on the funds in the Health Care Trust Fund during the preceding four (4) fiscal years.

(2) In any fiscal year in which interest, dividends and other income from the investment of the funds in the Health Care Trust Fund are not sufficient to fund the full amount of the annual transfer into the Health Care Expendable Fund as required in subsection (1) (f) of this section, the State Treasurer shall transfer from tobacco settlement installment payments an amount that is sufficient to fully fund the amount of the annual transfer.

(3) Beginning with calendar year 2009, at the time that the State of Mississippi receives the tobacco settlement installment payment for each calendar year, the State Treasurer shall deposit the following amounts of each of those installment payments into the Health Care Expendable Fund:



(a) In calendar years 2009 and 2010, the total amount of the installment payment;

(b) In calendar year 2011, the amount of the installment payment less Ten Million Dollars (\$10,000,000.00);

(c) In calendar years 2012, 2013 and 2014, the total amount of the installment payment;

(d) In calendar year 2015, and each calendar year thereafter, the total amount of the installment payment.

(4) (a) In addition to any other sums required to be transferred from the Health Care Trust Fund to the Health Care Expendable Fund, the sum of One Hundred Twelve Million Dollars (\$112,000,000.00) shall be transferred from the Health Care Trust Fund to the Health Care Expendable Fund in fiscal year 2011.

(b) In addition to any other sums required to be transferred from the Health Care Trust Fund to the Health Care Expendable Fund, the sum of Fifty-six Million Two Hundred Sixty-three Thousand Four Hundred Thirty-eight Dollars (\$56,263,438.00) shall be transferred from the Health Care Trust Fund to the Health Care Expendable Fund during fiscal year 2012.

(c) In addition to any other sums required to be transferred from the Health Care Trust Fund to the Health Care Expendable Fund, the sum of Ninety-seven Million Four Hundred Fifty Thousand Three Hundred Thirty-two Dollars (\$97,450,332.00) shall be transferred from the Health Care Trust Fund to the Health Care Expendable Fund during fiscal year 2013.



68 (d) In addition to any other sums required to be
69 transferred from the Health Care Trust Fund to the Health Care
70 Expendable Fund, the sum of Twenty-three Million One Hundred
71 Thousand Dollars (\$23,100,000.00) shall be transferred from the
72 Health Care Trust Fund to the Health Care Expendable Fund during
73 fiscal year 2014.

74 (e) The State Fiscal Officer shall transfer the entire
75 balance in the Health Care Trust Fund to the Health Care
76 Expendable Fund during fiscal year 2015.

77 (5) If Medicaid expenditures are projected to exceed the
78 amount of funds appropriated to the Division of Medicaid in any
79 fiscal year in excess of the expenditure reductions to providers,
80 funds shall be transferred by the State Fiscal Officer from the
81 Health Care Trust Fund into the Health Care Expendable Fund and
82 then to the Governor's Office, Division of Medicaid, in the amount
83 and at such time as requested by the Governor to reconcile the
84 deficit.

85 (6) All income from the investment of the funds in the
86 Health Care Expendable Fund shall be credited to the account of
87 the Health Care Expendable Fund. Any funds in the Health Care
88 Expendable Fund at the end of a fiscal year shall not lapse into
89 the State General Fund. Any funds appropriated from the Health
90 Care Expendable Fund that are unexpended at the end of a fiscal
91 year shall lapse into the Health Care Expendable Fund.



92 (7) The funds in the Health Care Expendable Fund shall be
93 available for expenditure under specific appropriation by the
94 Legislature beginning in fiscal year 2000, and shall be expended
95 exclusively for health care purposes.

96 (8) The provisions of subsection (1) of this section may not
97 be changed in any manner except upon amendment to that subsection
98 by a bill enacted by the Legislature with a vote of not less than
99 three-fifths (3/5) of the members of each house present and
100 voting.

101 (9) If the State Treasurer, in consultation with the
102 Executive Director of the Department of Finance and
103 Administration, determines that there is a need to borrow funds to
104 offset any temporary cash-flow deficiencies in the Health Care
105 Expendable Fund created in this section, the Treasurer may borrow
106 those funds from any state-source special funds in the State
107 Treasury in amounts that can be repaid from the Health Care
108 Expendable Fund during the fiscal year in which the funds are
109 borrowed. The State Treasurer shall immediately notify the
110 Legislative Budget Office and the Department of Finance and
111 Administration of each transfer into and out of the Health Care
112 Expendable Fund.

113 (10) No later than September 30, 2011, the State Treasurer
114 shall transfer from the Health Care Expendable Fund to the Health
115 Care Trust Fund an amount equivalent to the unencumbered ending
116 cash balance of the Health Care Expendable Fund as of June 30,



117 2011, less Three Million Eight Hundred Forty Thousand Dollars
118 (\$3,840,000.00) .

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120 **SECTION 2.** This act shall take effect and be in force from
121 and after July 1, 2025.

